

State of California  
Business, Transportation and Housing Agency  
Department of Transportation

POLICY MATTERS  
Presentation of Airspace 1999-00  
Annual Report  
Information Item

Prepared By:  
Gary Horn  
Acting Program Manager  
Right of Way  
(916) 654-5075

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Agenda Item: 4.7

*Original Signed By* \_\_\_\_\_  
W. J. Evans, Deputy Director  
Finance  
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### **2000 ANNUAL AIRSPACE REPORT**

The Department's Airspace Leasing and Telecommunications Wireless Licensing Programs are pleased to report a net income of \$15.2 million for the 1999/00 Fiscal Year. Although this represents a slight decrease from the previous fiscal year, the overall long-term trend shows a steady increase in income. The expense-to-gross-income ratio for the 1999/00 Fiscal Year was 9.9% compared to 8.4% for the previous fiscal year. Attached is a graph depicting the program's income and expenses for the last ten years.

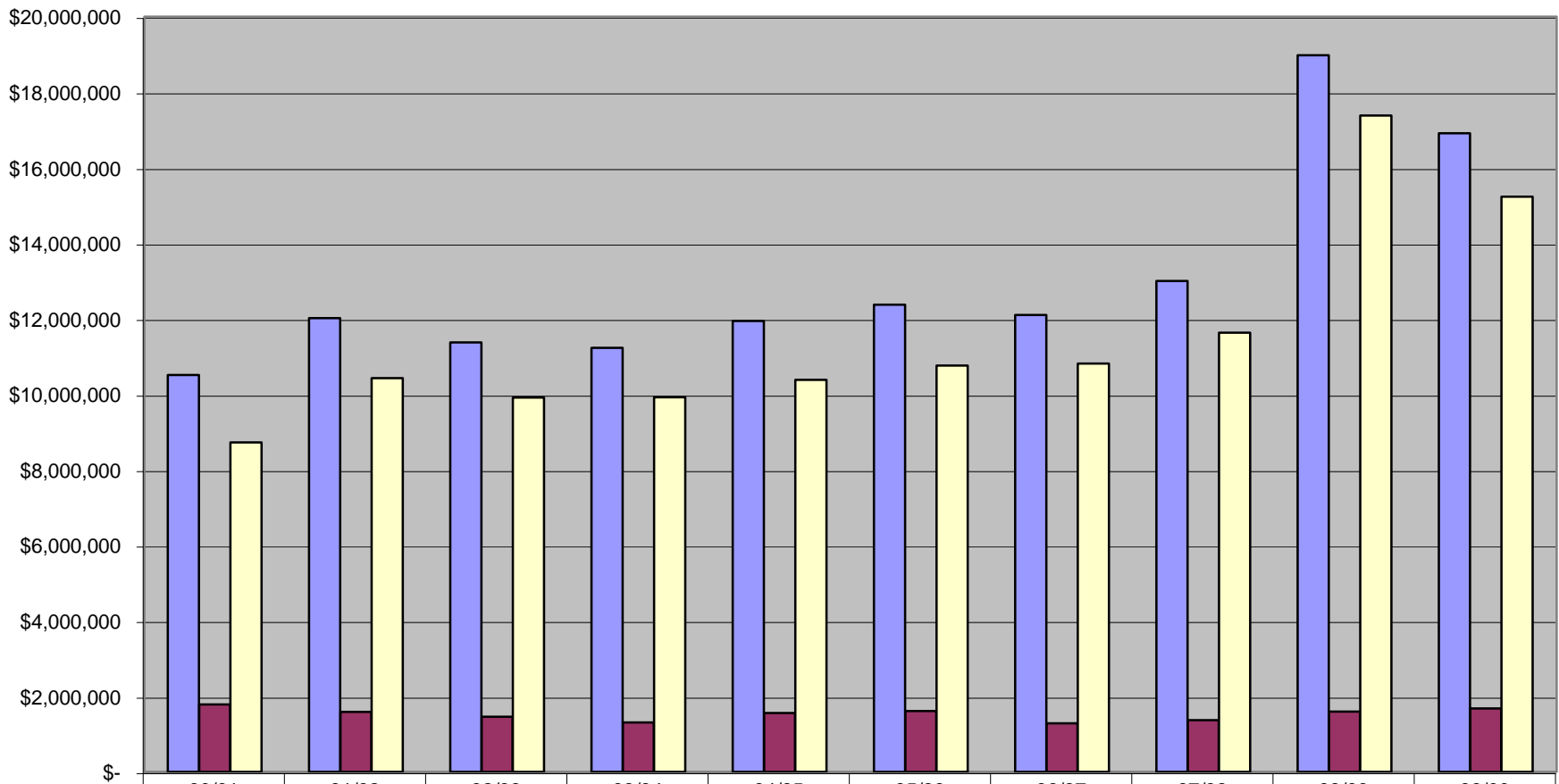
Airspace sites statewide continued to increase in value, especially in the San Francisco area of District 4 and in the Southern Region. The Telecommunications Wireless Licensing Program, implemented in May 1997, showed a slight increase in both number of sites and revenue.

A number of events occurred during the year that contributed to the slight dip in airspace revenue from the previous year. Several highly anticipated airspace auctions were postponed during the year as the program, at the request of the Director, developed and implemented an improved leasing procedure for airspace sites utilized as public parking. Furthermore, a number of potentially profitable sites in District 4 have been temporarily removed from the inventory as work begins on both the last group of seismic retrofit jobs and new highway improvement projects. It is believed that revenues for the last fiscal year were probably over-reported as there had been a vigorous effort to bring all airspace accounts to a current status and a number of wireless carriers had made their annual payments in advance of the scheduled due dates. All of these aforementioned events were enough to cause 1999/00 Fiscal Year revenue to drop below the previous fiscal year.

The 551 occupied airspace sites generated sizable local possessory interest taxes as well as substantial savings for those sites utilized by the Department for maintenance yards and other internal purposes.

Once again, the Department acknowledges the efforts, interest, and expertise provided by the Airspace Advisory Committee (AAC) and looks forward to a continued mutually beneficial working relationship.

**AIRSPACE ANNUAL INCOME  
HISTORICAL INFORMATION  
FY 1990/91 - 1999/00**



<span style="color: blue;">■</span> Gross Income	\$10,510,059	\$12,016,200	\$11,377,000	\$11,231,425	\$11,939,240	\$12,375,128	\$12,099,287	\$13,003,520	\$18,979,571	\$16,912,741
<span style="color: maroon;">■</span> Expenses	\$1,784,217	\$1,591,644	\$1,461,000	\$1,309,125	\$1,558,995	\$1,611,255	\$1,286,571	\$1,373,341	\$1,597,410	\$1,680,241
<span style="color: yellow;">■</span> Net	\$8,725,842	\$10,424,556	\$9,916,000	\$9,922,300	\$10,380,245	\$10,763,873	\$10,812,716	\$11,630,179	\$17,382,557	\$15,232,500